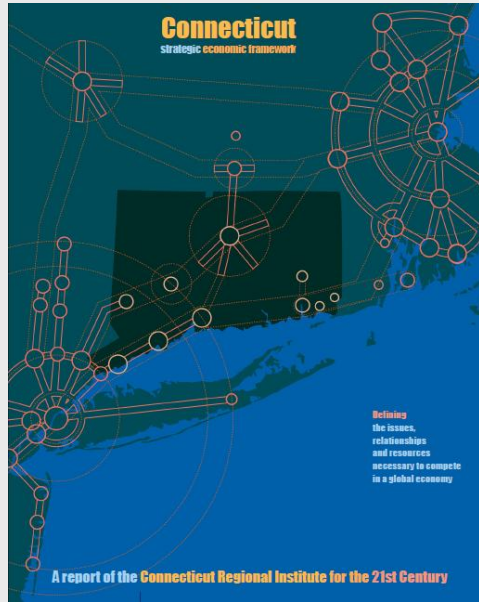


# Congestion, Economic Growth, Transportation Investment



# Congestion, Economic Growth, Transportation Investment



## Connecticut: Strategic Economic Framework

- 1999 report on CT's economic future
- prepared by Michael Gallis
- for CT Regional Institute for the 21<sup>st</sup> Century

## Transportation is critical to CT's prospects for economic growth

- Access to the national networks is threatened by network changes & growing congestion
- Warned that CT's economy will suffer unless we:
  - improve connections to major transportation hubs outside of CT
  - find ways to address growing congestion in CT

# Congestion, Economic Growth, Transportation Investment



## Key transportation hubs

**New York** (primary global connections)

- Air (key international hub)
- Sea (key international port)
- Rail

**Boston**

- Air

**Albany**

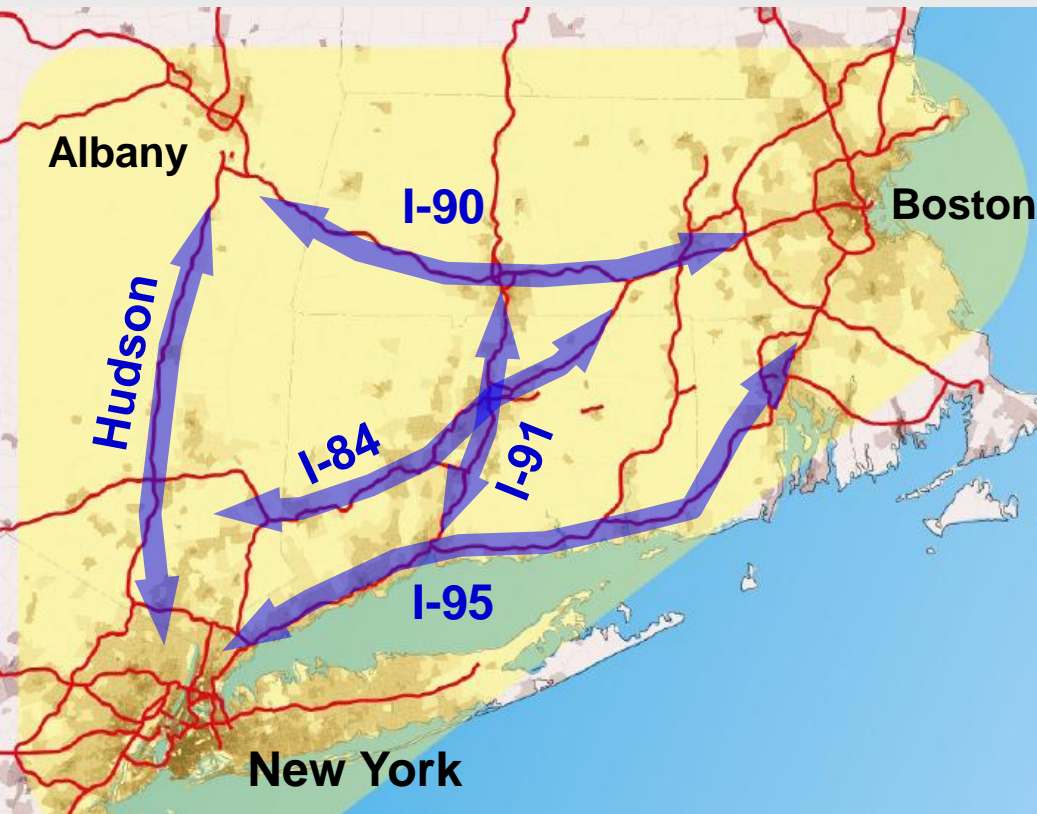
- Air
- Rail (link to national rail grid)

**Bradley Airport**

- Air



# Congestion, Economic Growth, Transportation Investment



## Key transportation corridors

### I-90

- Interstate
- Rail

### I-84

- Interstate

### I-91

- Interstate
- Rail

### Hudson

- Interstate
- Rail

### I-95

- Interstate
- Rail

## Key transportation corridors

Each corridor & each mode play important role in state's economy.

### I-90 & Hudson

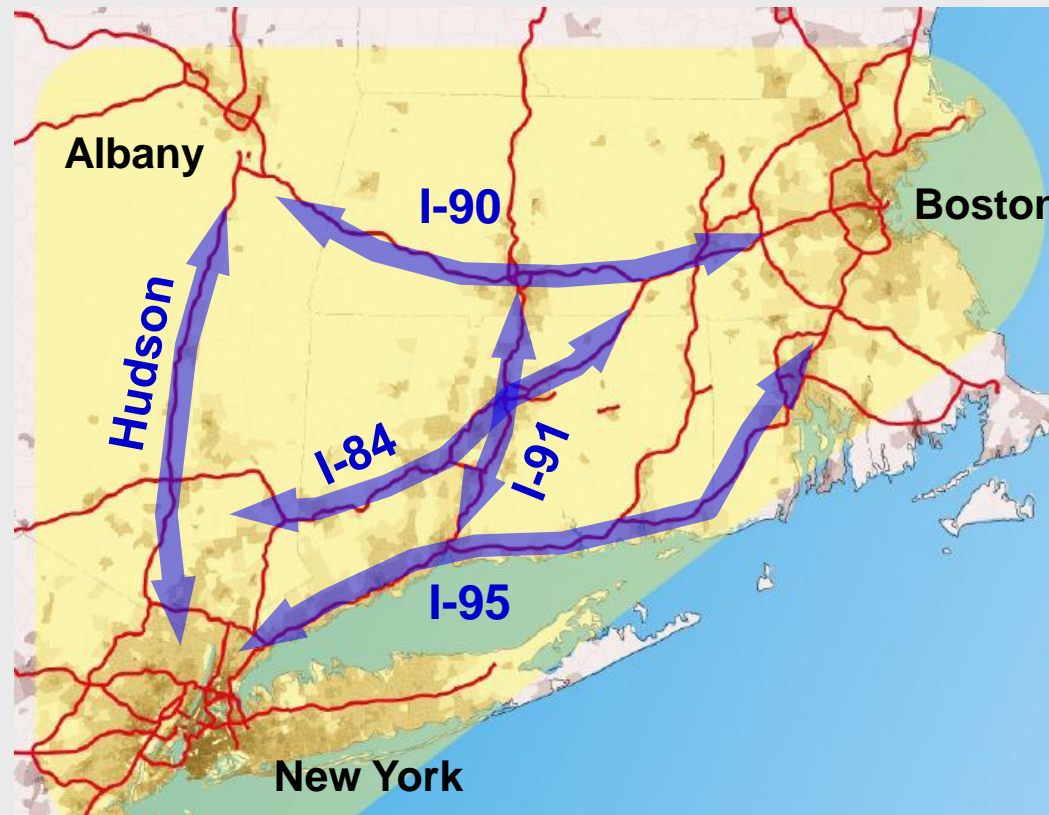
- key freight rail connection for entire state

### I-84

- key highway & truck link to NY & Boston

### I-91

- links New Haven, Hartford, Spr. regions & I-90, I-84, I-95
- access to major medical educ., & research centers that drive economic growth
- access to Bradley Airport



**Addressing growing congestion problems in all corridors is necessary for continued economic growth.**

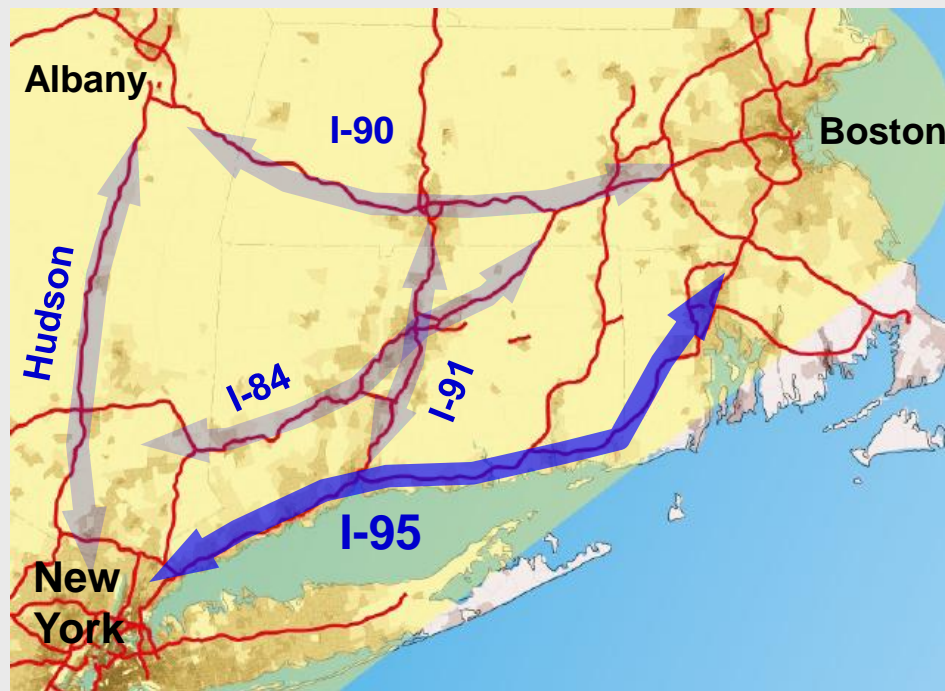
- does not have to be highway capacity increases
- does need to improve ability to move people & freight

## Special concern about I-95 congestion

“CT’s access to the global marketplace is principally through the I-95 corridor.”

“As congestion increases in this corridor & major global connections move west of the Hudson, this corridor will not offer the level of access to the economic activities & hubs necessary to support CT’s institutions, businesses, & people.”

Gallis, CT: Strategic Economic Framework, 1999, p. 12



All 3 of CT’s economic regions rely on this corridor for access to NY & the global marketplace:

- Coastal Corridor
- Hartford-Springfield
- Southeast CT

# What are the costs & economic impacts of congestion?

## Limited information, but what is available:

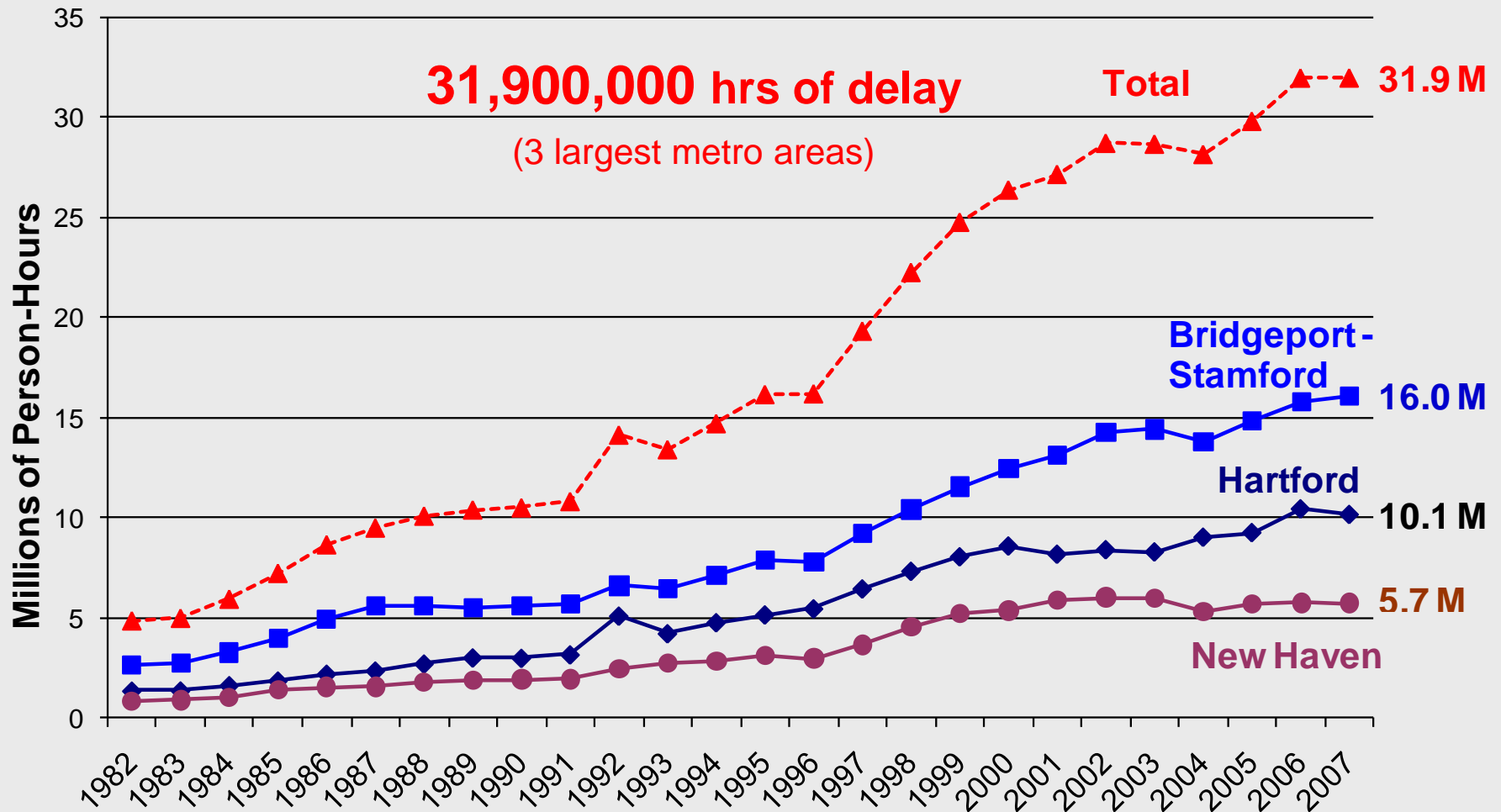
- Allows us to estimate part of the cost congestion imposes on CT residents and businesses.
- Includes value of time lost to traffic delays & cost increased vehicle fuel consumption
- Does not include full cost to businesses in terms of higher labor costs, higher inventory costs, difficulty recruiting, etc.
- Does not include 'opportunity cost'
  - business growth that does not occur due to reduced access to NY markets and suppliers,
  - relocations of businesses to CT that does not occur due to congestion & access problems

# Estimating congestion & costs of congestion:

- use **Urban Mobility Report (UMR)**
- produced each year for by Texas Transportation Institute
- nationwide assessment with 20 years of data for every metro area



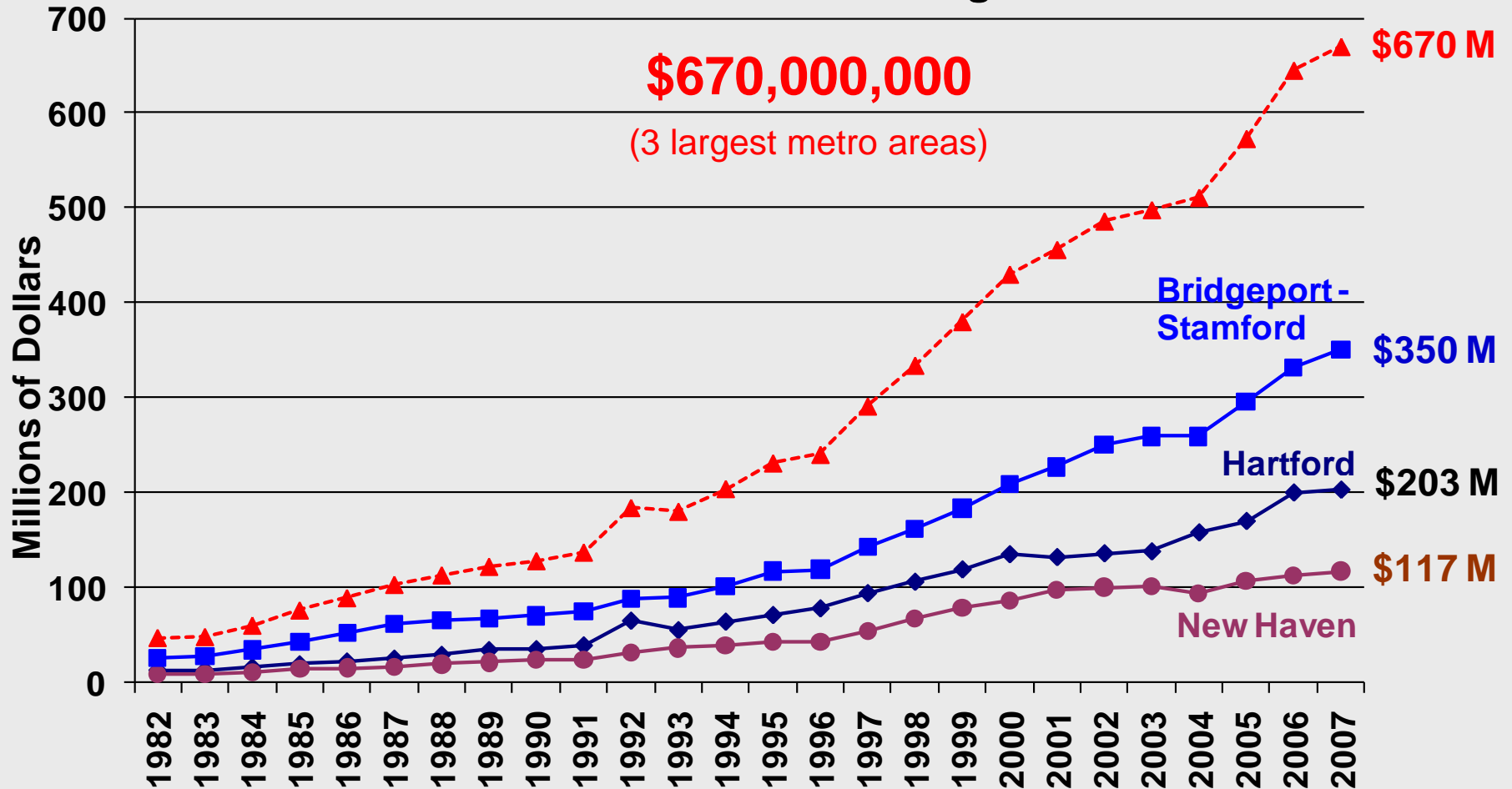
## Annual Hours Delay Due to Congestion



**Urban Mobility Report (UMR) :** annual report on congestion in metro areas

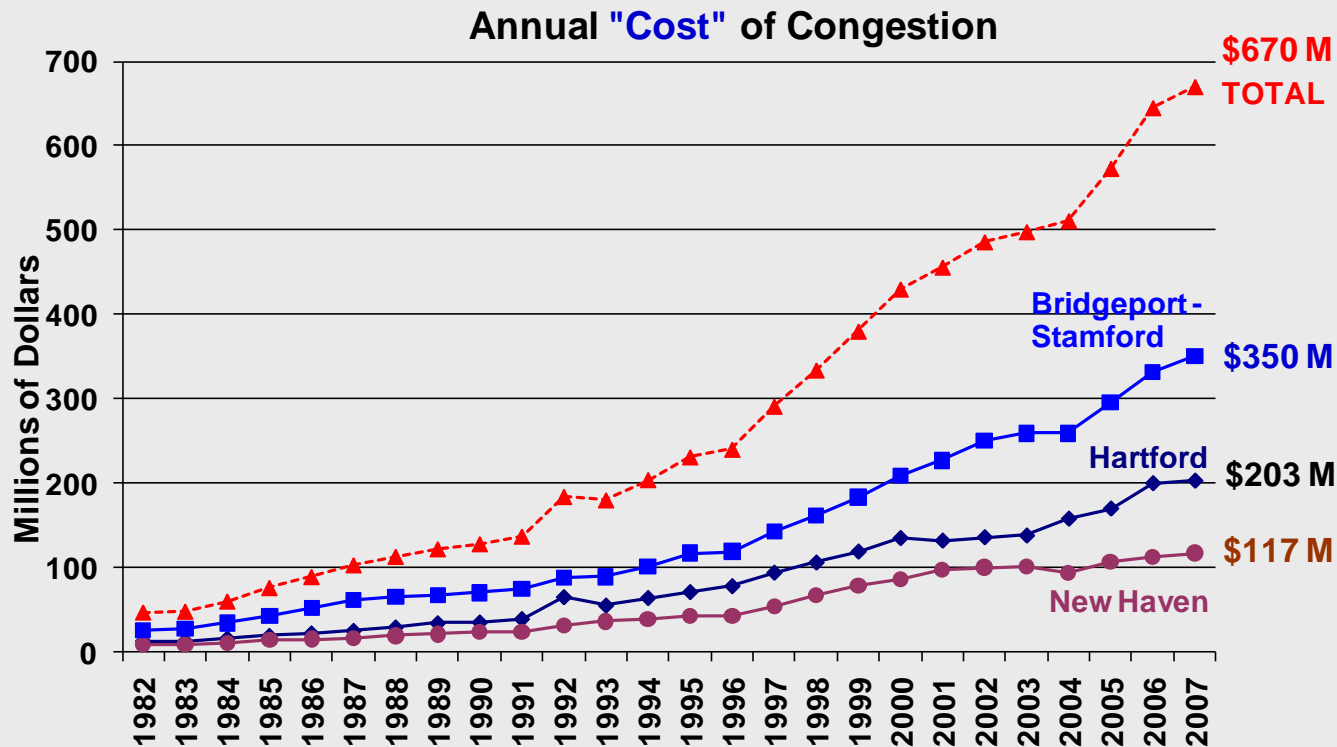
- Conservative estimate - does not account for congestion outside peak periods
- Does not include Waterbury or Danbury urban areas

## Annual "Cost" of Congestion



### Urban Mobility Report (UMR):

- Conservative estimate - based national average wage rates
- CT wages are higher



## Bridgeport-Stamford: UMR estimate is probably too low

- Stamford area wages much higher than national average
- Congestion spreads well beyond traditional peak periods
- SWRPA study suggested much higher levels of congestion & costs
- SWRPA study also argued that these costs are borne directly by businesses

# Closer look at I-95 Congestion

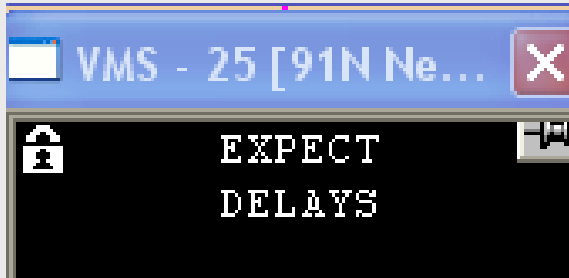


## I-95 Corridor especially problematic

- important access to NY markets
- congestion more severe
- congestion spreads beyond traditional peak period

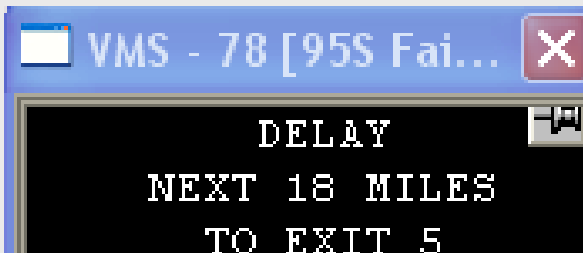


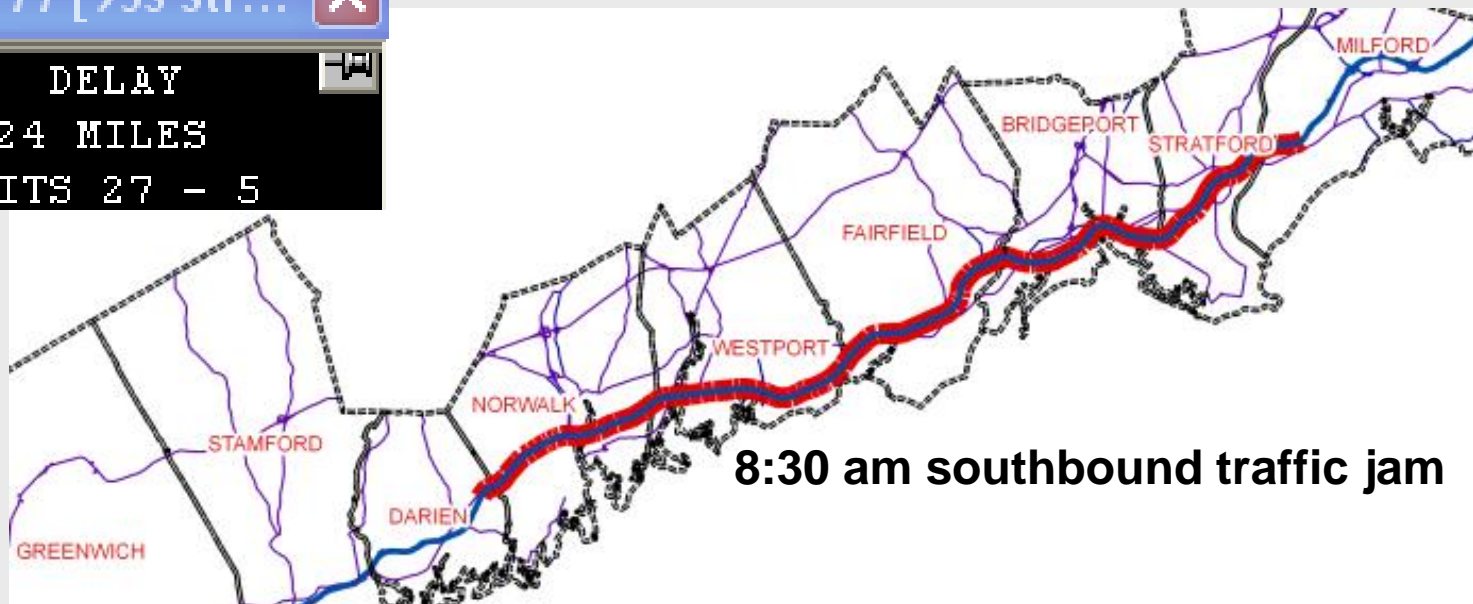
# Closer look at I-95 Congestion



## Data from highway operations center

- document extent & duration of delays
- focus on I-95 southbound to illustrate problems
- 3 weeks in May 2010



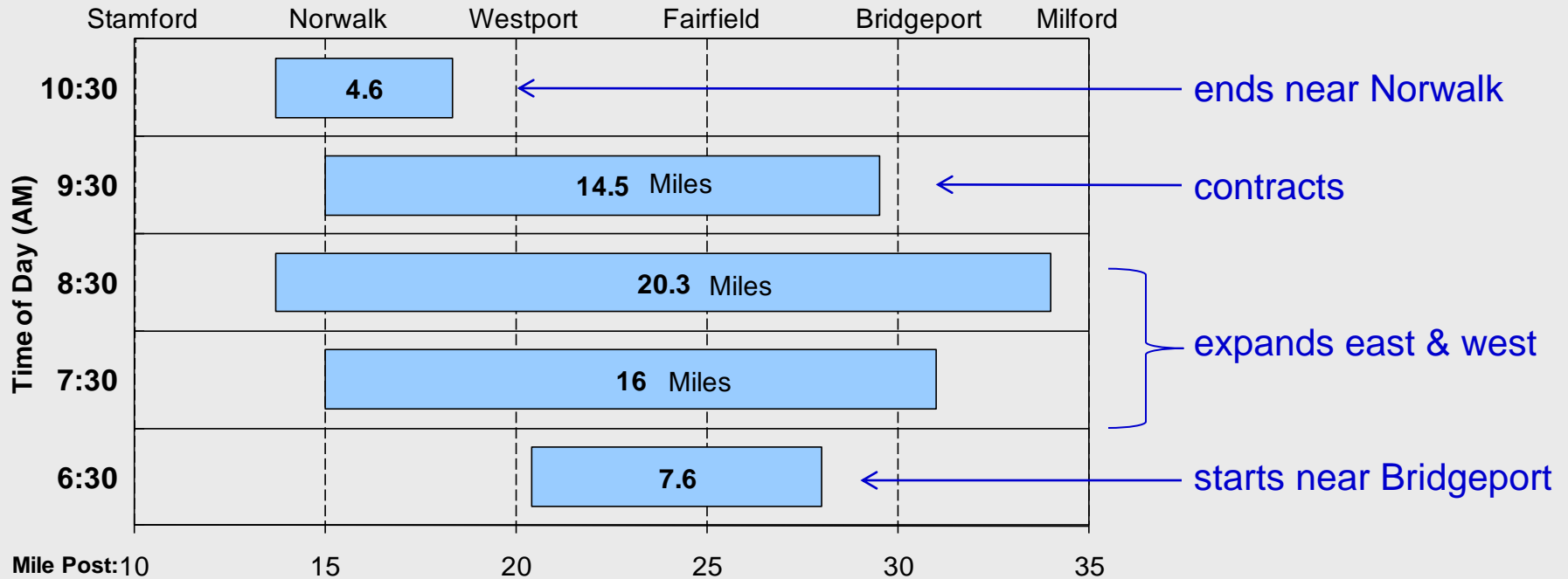


### Extent of congestion (30 mph or less)

- large impact area
- can reach 20-26 miles on typical morning
- maximum length of jam occurs around 8:30 am
- “average” length at 8:30 is 20.3 miles

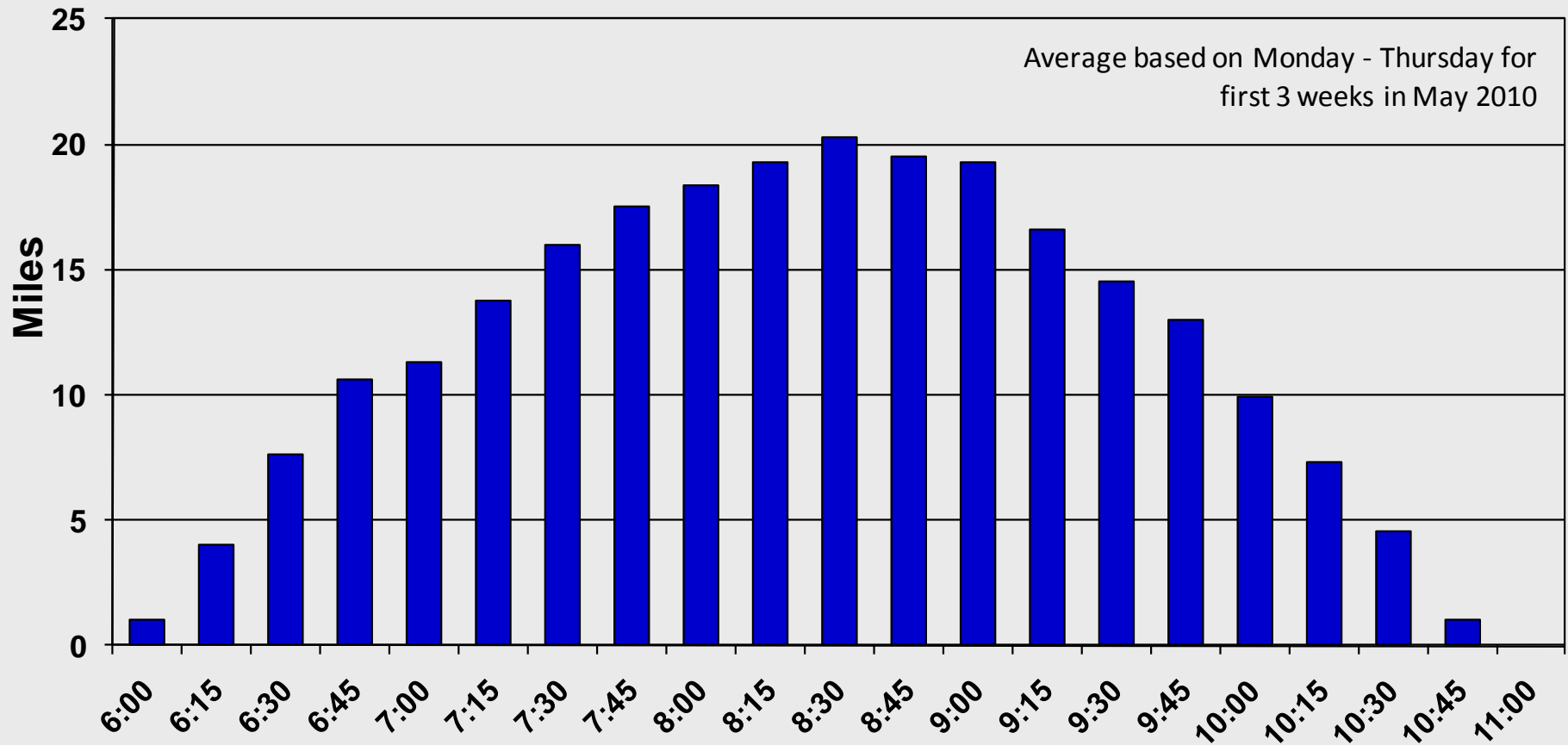
# Congestion shifts over the course of morning

**Average Length (Miles) of Traffic Back-up**  
(Morning Period I-95 Southbound)



# Length of morning traffic jam on I-95 southbound

"Average" for each 15-minute period



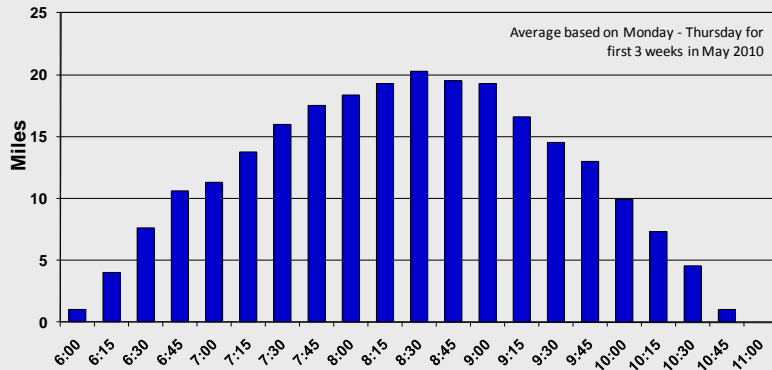
**Duration of congestion:** well beyond traditional peak period

- affects most of morning: 6:15 – 10:30 am
- severely limits mobility & affects business costs & operations



### Length of morning traffic jam on I-95 southbound

"Average" for each 15-minute period



## Business perspectives on congestion & transportation investment in CT

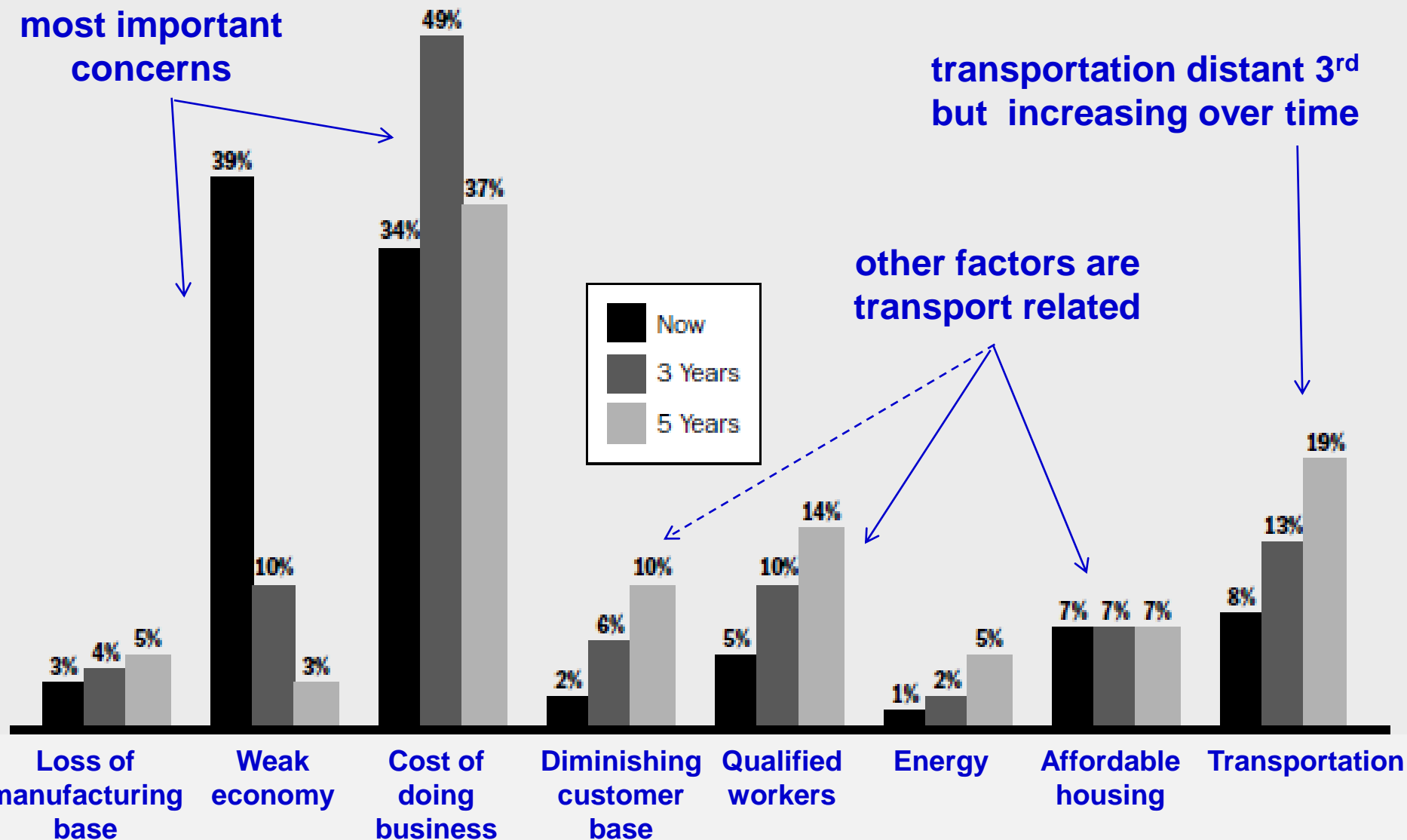
- Cannot quantify all impacts congestion has on business decisions & business growth in CT
- Limited survey data does allow some insight into how business managers view congestion & the need for transportation investment
- CBIA surveys of members
- Also: possible email survey thru Business Council of Fairfield County

# Greatest challenges to operating a business in Fairfield County

most important concerns

transportation distant 3<sup>rd</sup> but increasing over time

other factors are transport related





Importance elevated when asked about need for transportation investments

“ ... virtually all executives **(96%)** consider **modernizing the current transportation infrastructure** somewhat or extremely important to the region’s economic growth.”

2009 Survey of Fairfield County businesses, CBIA



## Business support for transportation investment exists across regions of state

*Majority of business leaders believe that “transportation projects are important to maintaining a healthy business environment”*

- 96% Fairfield County business survey
- 87% Eastern CT business survey
- 79% Northwest CT business survey

Hartford-Springfield: question was not asked



CBIA, Surveys of Businesses

2009-Fairfield County, 2010-Eastern CT, 2008-Northwestern CT, 2009-Hartford-Springfield



# Reasons for business support for transportation investment vary by region

*“Fairfield County’s proximity to the financial capital of the world is relevant only if residents, employees, clients, products, investors, and service providers are mobile and accessible.” 2009 Survey of Fairfield County Businesses*

## **Fairfield County**

- congestion
- access to NY

## **Eastern CT**

- support tourism industry

*“Forty-six percent of businesses say a lack of mass transit options is the most pressing transportation issue in the region, followed by traffic congestion and an outdated infrastructure . 2009 Survey of Hartford-Springfield Businesses*

## **Hartford**

- need transit options
- congestion

# Summary/Conclusions



## CT: Strategic Economic Framework, Gallis, 1999

- Stressed importance of good transportation linkages to support economic growth in CT.
- Warned that congestion was restricting our ability to grow.

## Cost of Congestion

- Congestion costs CT at least \$670,000,000 per year.
- Affects all urban areas of the state
- Affects all 3 transportation corridors identified by Gallis as critical economic corridors: I-95, I-84, I-91
- Particularly severe on I-95 which hinders economic growth in the entire state.



## Business perspectives on transportation

- Not considered most pressing problem for businesses
- Among the problems they face in more urbanized parts of CT.
- Business leaders do believe that CT needs improve its transportation in order to sustain economic growth.

## **Next steps:**

- Draft report inclusive of material from today & previous meeting
- Complete analysis of 3 funding scenarios
- Present analysis at August meeting